

SENATE BILL REPORT

SB 6259

As Reported by Senate Committee On:
Higher Education & Workforce Development, January 25, 2018

Title: An act relating to creating the social work professional loan repayment program.

Brief Description: Creating the social work professional loan repayment program.

Sponsors: Senators Ranker, Darneille, Palumbo, Keiser, McCoy, Lias, Kuderer and Saldaña.

Brief History:

Committee Activity: Higher Education & Workforce Development: 1/18/18, 1/25/18 [DPS-WM, w/oRec].

Brief Summary of First Substitute Bill

- Establishes the social work professional loan repayment program for social workers employed by the Department of Social and Health Services Children's Administration (DSHS Children's Administration) or the Department of Children, Youth, and Families (DCYF).
- Social workers employed by DSHS Children's Administration or DCYF are eligible after two years of service.
- Eligible social workers may receive up to \$50,000 in loan repayment funds spread over a maximum of ten years.

SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT

Majority Report: That Substitute Senate Bill No. 6259 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Ranker, Chair; Palumbo, Vice Chair; Carlyle, Lias, Miloscia, Nelson and Short.

Minority Report: That it be referred without recommendation.

Signed by Senator Hawkins, Ranking Member.

Staff: Alicia Kinne-Clawson (786-7407)

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Background: Social Worker Employment Data. In 2016, annual turnover statewide for child welfare workers was over 20 percent, with some regions experiencing turnover as high as 30 percent. Contributing factors to high turnover include low wages, high caseloads, and low morale. According to the Bureau of Labor Statistics, the median United States wage for child and family social workers was \$43,250 in 2016 compared to a median annual wage of \$49,820 for child and family social workers in Washington. In addition, the median student loan debt for Master's in Social Work graduates exceeds \$60,000.

Public Service Loan Forgiveness. The Public Service Loan Forgiveness Program forgives the remaining balance on direct loans after participants have made 120 monthly payments under a qualifying repayment plan while working full-time for a qualifying employer. Qualifying employers include governmental organizations and non-profit organizations.

Health Professionals Loan Repayment Program. The Office of Student Financial Assistance within the Washington Student Achievement Council currently administers the Health Professionals Loan Repayment Program. The program awards state funds up to \$75,000 with a minimum three-year service obligation. In 2016, approximately 100 health professionals worked in underserved areas of Washington as a result of this program. Since 1990, the program has funded over 1000 professionals serving in 38 Washington counties, and demand continues to exceed funding available.

Summary of Bill: The bill as referred to committee not considered.

Summary of Bill (First Substitute): Establishes the social work professional loan repayment program for social workers employed by the DSHS Children's Administration or DCYF. Social workers are eligible to participate in the loan repayment program after two years of employment as a social worker for either of the agencies.

Each participant is eligible for: quarterly or more frequent loan payments, and a maximum lifetime award of \$50,000 for a maximum of ten years or until the loan is repaid.

Repayment on an eligible participants loans will be until: the loan is repaid; the participant leaves qualifying service at a qualifying state agency; or the award limits are reached.

The social work professional loan repayment program is administered by the Office of Student Financial Assistance. The office must verify all credentialed social work professionals who are eligible to participate, adopts rules governing the program, and coordinate with stakeholders to publicize the program and maximize participation. The office may also accept grants and donations from public and private sources for the program.

The social work professional loan repayment program fund is created in the custody of the state treasurer.

EFFECT OF CHANGES MADE BY HIGHER EDUCATION & WORKFORCE DEVELOPMENT COMMITTEE (First Substitute):

- Replaces all references to "credentialed social workers" with "social workers."

- Establishes a pilot program for up to ten embedded social workers to participate in the social work loan repayment program. The pilot program must conclude by June 30, 2023, and at least five of the participants must be selected from the west side of the cascade mountain range.
- Establishes a pilot program for up to ten social work or mental health professionals in local governments to participate in the social work loan repayment program. The pilot program must conclude by June 30, 2023, and at least five of the participants must be selected from the west side of the cascade mountain range.
- Establishes a quarterly maximum payment as \$1,250, or the monthly payment equivalent to eligible participants in the social work loan repayment program.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Proposed Substitute: *The committee recommended a different version of the bill than what was heard.* PRO: Many public employees receive less in compensation than they would in private industry. The state has made significant investments in expanding services for children and now they need more talented employees. The research shows that if you are able to retain actual social workers that you have better outcomes for the youth they are serving. Would be interested in including other populations such as mental health counselors and those serving in public safety and local governments. This bill benefits the students and the state by providing the right motivation for remaining in public service. This bill will help retain expertly qualified social workers in a job that's extremely difficult.

Persons Testifying: PRO: Senator Kevin Ranker, Prime Sponsor; JoAnn Taricani, Faculty Senate, University of Washington; Bob Cooper, National Association of Social Workers Washington Chapter; Charles Loeffler, Washington Federation of State Employees; Nolan Manion, Washington Federation of State Employees.

Persons Signed In To Testify But Not Testifying: No one.